



OFFICE OF AUDITOR OF STATE
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David A. Vaudt, CPA
Auditor of State

NEWS RELEASE

FOR RELEASE October 16, 2006

Contact: Andy Nielsen
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Auditor of State David A. Vaudt today released reports for the year ended June 30, 2006 on the Ice Arena Facility Revenue Note Funds and on the following Revenue Bond Funds of Iowa State University of Science and Technology: Dormitory and Dining Services, Telecommunications Facilities, Utility System, Hilton Coliseum, Recreational Facility, Student Health Facility, Parking System, Academic Building, Indoor Multipurpose Use and Training Facility, Regulated Materials Facility and Memorial Union.

These reports demonstrate compliance with the provisions included in the various bond and note agreements. The financial information included in these reports is also included in the Annual Financial Report of Iowa State University of Science and Technology and the Comprehensive Annual Financial Report of the State of Iowa.

Copies of the reports are available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/reports.htm>.

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters.

To the Members of the Board of Regents,
State of Iowa:

We have audited the statement of net assets, and the related statement of revenues, expenses and changes in fund net assets and cash flows, of the Academic Building, Dormitory and Dining Services, Hilton Coliseum, Recreational Facility, Utility System, Telecommunications Facilities, Parking System, Indoor Multipurpose Use and Training Facility, Student Health Facility, Regulated Materials Facility and Memorial Union Revenue Bond Funds (Revenue Bond Funds) and the Ice Arena Facility Revenue Note Funds (Revenue Note Funds) of Iowa State University of Science and Technology as of and for the year ended June 30, 2006. We have also audited the financial statements of each individual fund of the Academic Building, Dormitory and Dining Services, Hilton Coliseum, Recreational Facility, Utility System, Telecommunications Facilities, Parking System, Indoor Multipurpose Use and Training Facility, Student Health Facility, Regulated Materials Facility and Memorial Union Revenue Bond Funds (Revenue Bond Funds) and the Ice Arena Facility Revenue Note Funds (Revenue Note Funds) of Iowa State University of Science and Technology as of and for the year ended June 30, 2006, and have issued our reports thereon dated September 29, 2006. We conducted our audits in accordance with U.S. generally accepted auditing standards.

Internal Control Over Financial Reporting

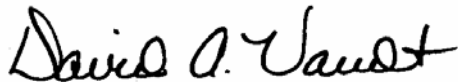
In planning and performing our audits, we considered Iowa State University of Science and Technology's internal control over financial reporting for the Revenue Bond Funds and the Revenue Note Funds in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

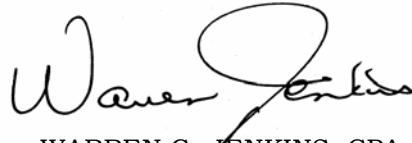
As part of obtaining reasonable assurance about whether the financial statements of the Revenue Bond Funds and the Revenue Note Funds of Iowa State University of Science and Technology are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations and contracts, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported.

This report, a public record by law, is intended solely for the information and use of the officials and employees of Iowa State University of Science and Technology, the members of the Board of Regents, citizens of the State of Iowa and other parties to whom Iowa State University of Science and Technology may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Iowa State University of Science and Technology during the course of our audits. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

September 29, 2006